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6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**
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9 Heather Cassaday,

10 Plaintiff,

11 v.

12 Phoenix Body Works Incorporated, et al.,

13 Defendants.
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No. CV-21-02055-PHX-DJH

ORDER

15 Pending before the Court is the parties' Joint Motion to Approve the Settlement
16 Agreement (Doc. 17) of this action brought under the Fair Labor Standards Act, 29 U.S.C.
17 § 201, *et seq.* ("FLSA"). For the reasons set forth below, the Court grants the parties
18 Motion.

19 **I. Background**

20 On December 6, 2021, Plaintiff filed this suit, alleging Defendants violated the
21 FLSA by failing to pay her overtime and other wages for time worked over forty (40) hours
22 in a workweek. (Doc. 1 at ¶ 56). The parties represent that after arms-length negotiation,
23 they reached a Settlement Agreement to resolve all claims. (Doc. 17 at 2).

24 In the Settlement Agreement, the parties have agreed to settle Plaintiffs' claims
25 under the following terms: (1) Defendants agree to pay the total sum of \$20,000.00 to
26 Plaintiff and her attorneys; (2) Defendants have denied liability or wrongdoing; (3) Plaintiff
27 and Defendants have signed a release of claims. (Doc. 19-1 at 2–5). The allocation of the
28 settlement payments consists of one check to Ms. Cassaday in the amount of \$11,416.34,

1 and one check to Zoldan Law Group, PLLC in the amount of \$8,583.65 for payment for
2 attorneys' fees and costs. (*Id.*)

3 **II. Discussion**

4 “Unlike most private settlements negotiated between parties in a civil action for
5 damages, in a FLSA case or class action, the parties must seek the district court’s approval
6 of the settlement’s terms to ensure that it is enforceable and fair.” *Juvera v. Salcido*, 2013
7 WL 6628039, at *3 (D. Ariz. 2013) (citations omitted). In deciding whether to approve
8 the parties’ settlement, courts in the Ninth Circuit follow *Lynn’s Foods. Villarreal v.*
9 *Caremark LLC*, 2016 WL 5938705, at *2 (D. Ariz. May 10, 2016); *Lopez v. Arizona Pub.*
10 *Serv. Co.*, 2010 WL 1403873, at *1 (D. Ariz. Jan. 27, 2010).

11 If a settlement reflects a “reasonable compromise over issues, such as . . .
12 computation of back wages, that are actually in dispute,” the district court may approve the
13 settlement “in order to promote the policy of encouraging settlement of the litigation.”
14 *Lynn’s Food Stores, Inc. v. United States*, 679 F.2d 1350, 1354 (11th Cir. 1982). The
15 settlements must be fair and reasonable. *Id.* at 1353.

16 The Court has reviewed Plaintiff’s Motion for Settlement Approval and the attached
17 exhibits, including the Settlement Agreement itself. (Docs. 17; 19-1). The Court finds its
18 terms reflect a “fair and reasonable resolution of a bona fide dispute” over FLSA overtime
19 provisions. *See Lynn’s*, 679 F.2d at 1355. The Court also finds that the Settlement Amount
20 is fair and equitable given the parties’ agreement that the proposed settlement represents a
21 reasonable compromise of the damages. (Doc. 17 at 3). According to the Complaint,
22 Plaintiff alleges that she worked approximately five hours of overtime every week. (Doc.
23 1 at ¶ 58). Her average hourly rate of pay between the end of 2018 through July 2, 2021,
24 was around \$24.50 an hour.¹ (*Id.* at ¶¶ 53–55). Under this timeframe, the parties represent
25 the maximum liquidated damages she would receive if a jury found that Defendants
26 conduct was willful would equal \$16,537.50. (Doc. 17 at 3). The Court thus finds the

27 ¹ The Court notes Plaintiff’s Complaint lists July 2, 2021, as the date Plaintiff ended
28 employment with Defendants (Doc. 1 at ¶ 7), but the Settlement Agreement indicates
Defendants “ceased doing business in June 1, 2021.” (Doc. 19-1 at 2). Regardless,
Plaintiff’s average hourly pay remains \$24.50 for the time at issue.

1 \$20,000.00 settlement represents a reasonable compromise. Last, the Court finds that the
2 record supports an award of attorneys' fees and costs in the amount for which Plaintiff
3 seeks approval because of the arms-length negotiation.²

4 Accordingly,


5 **IT IS HEREBY ORDERED** that Plaintiff's Motion for Settlement Approval (Doc.
6 17) is **granted**.

7 **IT IS FURTHER ORDERED** that the Settlement Agreement and Release of All
8 Claims (Doc. 19-1) is **approved**.

9 **IT IS FURTHER ORDERED** that payments shall be distributed in accordance
10 with the Settlement Agreement. (Doc. 19-1).

11 **IT IS FINALLY ORDERED** that the parties shall issue payment under the
12 Settlement Agreement within **ten (10) days** from the date of this Order. The parties shall
13 file a stipulation for dismissal within **five (5) days** of receipt of the payment.

14 Dated this 9th day of August, 2022.

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18 Honorable Diane J. Humetewa
United States District Judge

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27 ² Plaintiff attached her counsel's billing record as well as Plaintiff's engagement
28 agreement. (Docs. 17-2; 17-4). The Court finds Plaintiff's counsel's hourly rate of
\$350.00 to be reasonable. See *McGlothlin v. ASI Cap. Ventures LLC*, 2021 WL 857367,
at *3 (D. Ariz. Mar. 8, 2021) (finding Plaintiff's counsel's hourly rate of \$350.00 for an
FLSA settlement reasonable).